

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name FAIRFIELD	County SHAWANASSEE
Audit Date 3-31-04	Opinion Date 5-25-04	Date Accountant Report Submitted to State: 6-2-04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) JAMES M. IRELAND, P.C.			
Street Address 6920 S. CEDAR ST., SUITE #3	City LAWSING	State MI	ZIP 48911-6924
Accountant Signature James M. Ireland, CPA			

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TOWNSHIP OF FAIRFIELD

SHIAWASSEE COUNTY, MICHIGAN

MARCH 31, 2004

TOWNSHIP OF FAIRFIELD

TOWNSHIP BOARD

Clyde Gilbert	-	Supervisor
Carolyn Long	-	Clerk
Vivian Durling	-	Treasurer
Steve Maynard	-	Trustee
Scott Miller	-	Trustee

JAMES M. IRELAND, CPA, PC

6920 S. CEDAR ST., SUITE 3
LANSING, MICHIGAN 48911-6924
PHONE: 517/699-5320

June 2, 2004

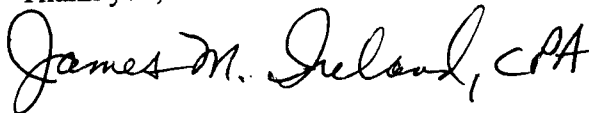
Fairfield Township Board
C/O Vivian Durling
4447 N. Vincent Road
Elsie, MI 48831

Dear Boardmembers:

I have completed my examination of the books and records of Fairfield Township for the year ended March 31, 2004. I wish to make the following comment and recommendation.

The Road Fund incurred expenditures in excess of the amount budgeted. I recommend the expenditures of all four funds be more closely followed and all these four governmental funds budgets need to be amended before expending in excess of the budget.

Thank you,

A handwritten signature in black ink that reads "James M. Ireland, CPA". The signature is written in a cursive, flowing style.

James M. Ireland
Certified Public Accountant

JMI/cmv

TOWNSHIP OF FAIRFIELD
SHIAWASSEE COUNTY, MICHIGAN

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JAMES M. IRELAND
CERTIFIED PUBLIC ACCOUNTANT
6920 S. CEDAR STREET, SUITE 3
LANSING, MI 48911-6924
PHONE & FAX (517) 699-5320

Independent Auditor's Report

Members of the Township Board
Township of Fairfield
Shiawassee County, Michigan

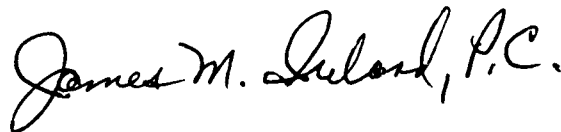
Boardmembers:

I have audited the accompanying general purpose financial statements of the Township of Fairfield as of and for the year ended March 31, 2004, as listed in the table of contents. These general purpose financial statements are the responsibility of the township's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Fairfield as of March 31, 2004, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Township of Fairfield. The information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.



Certified Public Accountant

May 25, 2004

TOWNSHIP OF FAIRFIELD

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

March 31, 2004

	Governmental Fund Types		Fiduciary Fund Type	Account Group	Total
	Special		Trust and	General	(Memo Only)
	General	Revenue	Agency	Fixed Assets	
<u>Assets</u>					
Cash	\$ 99,427	\$ 86,318	\$ 1,050	\$ -	\$ 186,795
Taxes receivable	4,607	-	-	-	4,607
Due from other funds	1,050	-	-	-	1,050
Fixed assets	-	-	-	14,849	14,849
<u>Total Assets</u>	<u>\$ 105,084</u>	<u>\$ 86,318</u>	<u>\$ 1,050</u>	<u>\$ 14,849</u>	<u>\$ 207,301</u>
<u>Liabilities</u>					
Due to other funds	\$ -	\$ -	\$ 1,050	\$ -	\$ 1,050
<u>Fund Equity</u>					
Investment in general fixed assets	-	-	-	14,849	14,849
Fund balance:					
Unreserved	105,084	86,318	-	-	191,402
<u>Total Fund Equity</u>	<u>105,084</u>	<u>86,318</u>	<u>-</u>	<u>14,849</u>	<u>206,251</u>
<u>Total Liabilities and Fund Equity</u>	<u>\$ 105,084</u>	<u>\$ 86,318</u>	<u>\$ 1,050</u>	<u>\$ 14,849</u>	<u>\$ 207,301</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES

Year Ended March 31, 2004

	General	Special Revenue	Total (Memo Only)
<u>Revenues:</u>			
Taxes	\$ 24,902	\$ 53,808	\$ 78,710
State grants	56,001	-	56,001
Charges for services	1,330	2,100	3,430
Miscellaneous	<u>796</u>	<u>367</u>	<u>1,163</u>
Total Revenues	83,029	56,275	139,304
<u>Expenditures</u>			
Legislative	1,154	-	1,154
General government	25,083	1,021	26,104
Public safety	500	3,000	3,500
Public works	30,783	37,924	68,707
Health and welfare	5,960	-	5,960
Culture and recreation	-	-	-
Other functions	3,082	-	3,082
Capital outlay	<u>202</u>	<u>-</u>	<u>202</u>
Total Expenditures	<u>66,764</u>	<u>41,945</u>	<u>108,709</u>
Excess of Revenues over Expenditures	16,265	14,330	30,595
Fund Balance, April 1	<u>88,819</u>	<u>71,988</u>	<u>160,807</u>
<u>Fund Balance, March 31</u>	<u>\$ 105,084</u>	<u>\$ 86,318</u>	<u>\$ 191,402</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ALL GOVERNMENTAL FUND TYPES

Year Ended March 31, 2004

	General Fund		Variance -
	Budget	Actual	Favorable (Unfavorable)
<u>Revenues</u>			
Taxes	\$ 24,750	\$ 24,902	\$ 152
State grants	56,000	56,001	1
Charges for services	-	1,330	1,330
Miscellaneous	-	796	796
Total Revenues	80,750	83,029	2,279
<u>Expenditures</u>			
Legislative	2,500	1,154	1,346
General government	27,350	25,083	2,267
Public safety	2,600	500	2,100
Public works	31,790	30,783	1,007
Health and welfare	5,960	5,960	-
Culture and recreation	550	-	550
Other functions	5,000	3,082	1,918
Capital outlay	5,000	202	4,798
Total Expenditures	80,750	66,764	13,986
Excess (Deficiency) of Revenues over Expenditures	-	16,265	16,265
Fund Balance, April 1	88,819	88,819	-
<u>Fund Balance, March 31</u>	<u>\$ 88,819</u>	<u>\$ 105,084</u>	<u>\$ 16,265</u>

See accompanying notes to financial statements.

Special Revenue Funds		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 52,500	\$ 53,808	\$ 1,308
-	-	-
5,000	2,100	(2,900)
-	367	367
57,500	56,275	(1,225)
-	-	-
5,000	1,021	3,979
15,000	3,000	12,000
37,500	37,924	(424)
-	-	-
-	-	-
-	-	-
-	-	-
57,500	41,945	15,555
-	14,330	14,330
71,988	71,988	-
\$ 71,988	\$ 86,318	\$ 14,330

TOWNSHIP OF FAIRFIELD
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", these financial statements present the Township of Fairfield and its component units. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included.

Basis of Presentation

The accounts of the government are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The financial activities of the Township of Fairfield are recorded in separate funds and account groups, categorized as follows:

GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial resources except those provided for in another fund. Revenues are primarily derived from property taxes, State and Federal aid, and charges for services to provide for the administration and operation of: (1) general governmental departments, boards and commissions; (2) law enforcement; and (3) health, welfare and medical assistance. The fund includes the general operating expenditures of the local unit.

Special Revenue Funds

These funds are used to account for specific revenue (other than expendable trusts or major capital projects) derived from State and Federal grants, General Fund appropriations and charges for services which are to be expended for specific purposes as dictated by legal, regulatory or administrative requirements.

FIDUCIARY FUNDS

Trust and Agency Funds

These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust Funds (c) Pension Trust Fund; and (d) Agency Funds.

TOWNSHIP OF FAIRFIELD
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

ACCOUNT GROUPS

General Fixed Assets Account Group

This Account Group presents the fixed assets of the local unit utilized in its general operations (nonproprietary fixed assets).

Fixed assets used in the general operation of the township are recorded as expenditures when purchased and are accounted for in the General Fixed Assets Account Group. No depreciation is recorded for these general fixed assets. Infrastructure assets, including roads, bridges, drains, curbs, and gutters are not capitalized.

CASH, CASH EQUIVALENTS, AND INVESTMENTS

For purposes of the statement of cash flows, demand deposits and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

Investments are stated at cost.

BASIS OF ACCOUNTING

The modified accrual basis of accounting is used by all Governmental Funds, Agency Funds and Expendable Trust Funds. Revenue and other sources are recognized in the accounting period in which they become susceptible to accrual--that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is incurred. Modifications from the accrual basis are as follows:

- a. Property tax revenue is recognized in accordance with MCGAA Statement 3:

Properties are assessed and liened as of December 31 and their related property taxes are billed on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county delinquent tax rolls.
- b. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- c. Normally, expenditures are not divided between years by the recording of prepaid expenses.

Budgets and Budgetary Accounting:

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to December 1, the Supervisor submits to the Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them. The budgets are adopted to the activity level.

TOWNSHIP OF FAIRFIELD
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Budgets and Budgetary Accounting (continued):

2. Public hearings are conducted at the Township hall to obtain taxpayer comments.
3. Prior to February 1, the budget is legally enacted through passage of a resolution.
4. Budgets for the governmental fund types and the expendable trust funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Budgeted amounts are as originally adopted, or as amended by the Township Board.

Investments:

Investments are stated at cost.

Property Tax and Delinquent Taxes Receivable

Taxes are levied for the Township on December 1. The Township bills and collects its own property taxes. Property taxes not paid to the Township treasurer by the final due date in March are turned over to the County treasurer. The County purchases the delinquent taxes of the Township and normally remits the taxes to the Township the following year. The taxes paid by the county are included as revenue on the Township's books at the preceding March 31 date.

The 2003 Taxable valuation of the Township totaled \$19,711,883 on which ad valorem taxes levied consisted of 0.9757 mills for operating purposes, 0.9941 mills for fire operations and 1.9669 mills for road improvements. These amounts are recognized in the general, fire and road funds, respectively.

Delinquent Taxes Receivable

	<u>Fire</u>	<u>Roads</u>	<u>General</u>	<u>PTAF</u>	<u>Total</u>
2003 Tax Levy	\$15,082	\$38,726	\$19,209	\$5,692	\$78,709
2003 Taxes Collected	<u>15,082</u>	<u>38,726</u>	<u>14,879</u>	<u>5,415</u>	<u>74,102</u>
2003 Taxes Uncollected	-	-	4,330	277	4,607
Delinquent Taxes Receivable, April 1	-	-	4,209	-	4,209
Delinquent Taxes Collected	<u>-</u>	<u>-</u>	<u>4,209</u>	<u>-</u>	<u>4,209</u>
Delinquent Taxes Receivable, March 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,330</u>	<u>\$ 277</u>	<u>\$ 4,607</u>
<u>Summary by Year of Levy, 2003</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,330</u>	<u>\$ 277</u>	<u>\$ 4,607</u>

TOWNSHIP OF FAIRFIELD
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Total Columns on Combined Statements - Overview:

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

BALANCE SHEET--CASH AND INVESTMENTS

Deposits are carried at cost. Deposits are in one financial institution in the name of Fairfield Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations. Investments can also be made in bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States, which are guaranteed as to principal and interest by the United States, including securities issued by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the three highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase and which involve no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year end are as follows:

<u>Deposits</u>	
Insured (FDIC)	\$117,784
Uninsured	<u>69,011</u>
Total Deposits	<u>\$186,795</u>

At year end, the balance sheet carrying amount of deposits was \$186,795.

FIXED ASSETS

<u>Changes in General Fixed Assets</u>	<u>Balance</u> <u>4/1/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>3/31/04</u>
Land	\$ 2,300	\$ -	\$ -	\$ 2,300
Buildings	3,500	-	-	3,500
Furniture and equipment	4,503	202	-	4,705
Machinery and equipment	<u>4,344</u>	<u>-</u>	<u>-</u>	<u>4,344</u>
Totals	<u>\$ 14,647</u>	<u>\$ 202</u>	<u>\$ -</u>	<u>\$14,849</u>

TOWNSHIP OF FAIRFIELD
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Interfund Receivables and Payables

Interfund receivables and payables as of March 31, 2004 are as follows:

	<u>Receivables</u>	<u>Payables</u>
General	\$1,050	\$ -
Current Tax	_____ -	<u>1,050</u>
<u>Totals</u>	<u>\$1,050</u>	<u>\$1,050</u>

Excess of Expenditures over Appropriations in Budgetary Funds

P.A. 621 of 1978, section 18(1), as amended, provides that a township shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Township for these budgetary funds were adopted to the activity level.

During the year ended March 31, 2004, the Township incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated, as follows:

<u>Fund</u>	<u>Total Appropriations</u>	<u>Amount of Expenditures</u>	<u>Budget Variance</u>
Road	\$37,500	\$37,924	\$(424)

TOWNSHIP OF FAIRFIELD
GENERAL FUND

BALANCE SHEET

March 31, 2004

Assets

Cash in bank - checking	\$ 16,734.14
Cash in bank - savings	82,692.68
Delinquent taxes receivable	4,607.62
Due from current tax fund	<u>1,050.00</u>

<u>Total Assets</u>	<u>\$ 105,084.44</u>
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Fund Balance

Unreserved	<u>\$ 105,084.44</u>
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See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes:			
Current property taxes		\$ 19,209.22	
Property tax administration fees		<u>5,692.58</u>	
Total Taxes	\$ 24,750.00	24,901.80	\$ 151.80
State grants:			
State revenue sharing	56,000.00	56,001.00	1.00
Charges for services:			
Collection fees	-	1,330.00	1,330.00
Miscellaneous:			
Interest earned		583.82	
Rents and royalties		<u>212.00</u>	
Total Miscellaneous	<u>-</u>	<u>795.82</u>	<u>795.82</u>
Total Revenues	80,750.00	83,028.62	2,278.62
<u>Expenditures</u>			
Township board:			
Salaries		750.00	
Memberships and dues		<u>403.66</u>	
Total Township Board, Forwarded	\$ 2,500.00	\$ 1,153.66	\$ 1,346.34

TOWNSHIP OF FAIRFIELD
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Total Township Board Forwarded	\$ 2,500.00	\$ 1,153.66	\$ 1,346.34
<u>Expenditures</u>			
Supervisor:			
Salaries		5,000.00	
Supplies and postage		38.07	
Miscellaneous		<u>259.00</u>	
Total Supervisor	5,750.00	5,297.07	452.93
Elections:			
Salaries		-	
Printing and publishing		<u>-</u>	
Total Elections	500.00	-	500.00
Assessor:			
Contracted Services		3,000.00	
Printing and publishing		<u>364.53</u>	
Total Assessor:	3,750.00	3,364.53	385.47
Clerk:			
Salaries		5,000.00	
Office supplies and postage		507.17	
Transportation		13.87	
Miscellaneous		<u>200.00</u>	
Total Clerk	<u>5,750.00</u>	<u>5,721.04</u>	<u>28.96</u>
Forward	\$ 18,250.00	\$ 15,536.30	\$ 2,713.70

TOWNSHIP OF FAIRFIELD
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Forwarded	\$ 18,250.00	\$ 15,536.30	\$ 2,713.70
<u>Expenditures</u>			
Board of review:			
Salaries		375.00	
Printing and publishing		<u>189.92</u>	
Total Board of Review	600.00	564.92	35.08
Treasurer:			
Salaries		5,000.00	
Office supplies and postage		282.05	
Tax roll preparation		1,426.40	
Telephone		12.00	
Transportation		267.18	
Miscellaneous		<u>276.25</u>	
Total Treasurer	7,500.00	7,263.88	236.12
Hall and grounds:			
Printing and publishing		20.00	
Utilities		95.16	
Repairs and maintenance		<u>356.07</u>	
Total Hall and Grounds	1,000.00	471.23	528.77
Cemetery:			
Salaries	<u>2,500.00</u>	<u>2,400.00</u>	<u>100.00</u>
Forward	\$ 29,850.00	\$ 26,236.33	\$ 3,613.67

TOWNSHIP OF FAIRFIELD
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Forwarded	\$ 29,850.00	\$ 26,236.33	\$ 3,613.67
<u>Expenditures</u>			
Fire:			
Donation to other governmental unit for equipment	2,500.00	500.00	2,000.00
Planning Commission:			
Contracted services		-	
Miscellaneous		-	
Total Planning Commission	100.00	-	100.00
Drain at large:			
County drain tax	5,200.00	3,823.06	1,376.94
Highways and streets:			
Contracted services	25,390.00	25,892.42	(502.42)
Street lighting:			
Utilities	1,200.00	1,067.90	132.10
Health:			
Ambulance service	5,960.00	5,960.00	-
Parks and recreation:			
Contributions	300.00	-	300.00
Library:			
Contributions	<u>250.00</u>	<u>-</u>	<u>250.00</u>
Forward	\$ 70,750.00	\$ 63,479.71	\$ 7,270.29

TOWNSHIP OF FAIRFIELD
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Forwarded	\$ 70,750.00	\$ 63,479.71	\$ 7,270.29
<u>Expenditures</u>			
Other functions:			
Social security and medicare		1,350.15	
Insurance and bonds		<u>1,732.00</u>	
Total Other Functions	5,000.00	3,082.15	1,917.85
Capital Outlay:			
Equipment	<u>5,000.00</u>	<u>202.00</u>	<u>4,798.00</u>
Total Expenditures	<u>80,750.00</u>	<u>66,763.86</u>	<u>13,986.14</u>
Excess (Deficiency) of Revenues over Expenditures	-	16,264.76	16,264.76
Fund Balance, April 1	<u>88,819.68</u>	<u>88,819.68</u>	-
<u>Fund Balance, March 31</u>	<u>\$ 88,819.68</u>	<u>\$ 105,084.44</u>	<u>\$ 16,264.76</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD
SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

March 31, 2004

	<u>Road Fund</u>	<u>Fire Fund</u>	<u>Cemetery Fund</u>	<u>Total</u>
<u>Current Assets</u>				
Cash in bank	<u>\$ 38,737.61</u>	<u>\$ 16,463.92</u>	<u>\$ 31,116.57</u>	<u>\$ 86,318.10</u>
<u>Fund Balance</u>				
Unreserved	<u>\$ 38,737.61</u>	<u>\$ 16,463.92</u>	<u>\$ 31,116.57</u>	<u>\$ 86,318.10</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD
SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

Year Ended March 31, 2004

	Road Fund	Fire Fund	Cemetery Fund	Total
<u>Revenues</u>				
Taxes	\$ 38,726.20	\$ 15,082.06	\$ -	\$ 53,808.26
Charges for services	-	1,500.00	600.00	2,100.00
Miscellaneous	<u>137.91</u>	<u>8.64</u>	<u>220.12</u>	<u>366.67</u>
Total Revenues	38,864.11	16,590.70	820.12	56,274.93
<u>Expenditures</u>				
General government	-	-	1,020.82	1,020.82
Public safety	-	3,000.00	-	3,000.00
Public works	37,924.11	-	-	37,924.11
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>37,924.11</u>	<u>3,000.00</u>	<u>1,020.82</u>	<u>41,944.93</u>
Excess (Deficiency) of Revenues over Expenditures	940.00	13,590.70	(200.70)	14,330.00
Fund Balances, April 1	<u>37,797.61</u>	<u>2,873.22</u>	<u>31,317.27</u>	<u>71,988.10</u>
<u>Fund Balances, March 31</u>	<u>\$ 38,737.61</u>	<u>\$ 16,463.92</u>	<u>\$ 31,116.57</u>	<u>\$ 86,318.10</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD
ROAD FUND

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes:			
Current property taxes	\$ 37,500.00	\$ 38,726.20	\$ 1,226.20
Miscellaneous			
Interest earned	<u>-</u>	<u>137.91</u>	<u>137.91</u>
Total Revenues	37,500.00	38,864.11	1,364.11
<u>Expenditures</u>			
Highways and streets:			
Contracted services	<u>37,500.00</u>	<u>37,924.11</u>	<u>(424.11)</u>
Excess (Deficiency) of Revenues over Expenditures	-	940.00	940.00
Fund Balances, April 1	<u>37,797.61</u>	<u>37,797.61</u>	<u>-</u>
<u>Fund Balances, March 31</u>	<u>\$ 37,797.61</u>	<u>\$ 38,737.61</u>	<u>\$ 940.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD
FIRE FUND

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>Revenues</u>			
Taxes:			
Current property taxes	\$ 15,000.00	\$ 15,082.06	\$ 82.06
Charges for services:			
Fire runs	-	1,500.00	1,500.00
Miscellaneous:			
Interest earned	<u>-</u>	<u>8.64</u>	<u>8.64</u>
Total Revenues	15,000.00	16,590.70	1,590.70
<u>Expenditures</u>			
Fire services:			
Contracted services	<u>15,000.00</u>	<u>3,000.00</u>	<u>12,000.00</u>
Excess (Deficiency) of Revenues over Expenditures	-	13,590.70	13,590.70
Fund Balances, April 1	<u>2,873.22</u>	<u>2,873.22</u>	<u>-</u>
<u>Fund Balances, March 31</u>	<u>\$ 2,873.22</u>	<u>\$ 16,463.92</u>	<u>\$ 13,590.70</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD
CEMETERY FUND

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<u>Revenues</u>			
Cemetery lot sales	5,000.00	\$ 600.00	(4,400.00)
Interest earned	<u>-</u>	<u>220.12</u>	<u>220.12</u>
Total Revenues	5,000.00	820.12	(4,179.88)
<u>Expenditures</u>			
Printing and publishing		45.00	
Repairs and maintenance		<u>975.82</u>	
Total Expenditures	<u>5,000.00</u>	<u>1,020.82</u>	<u>3,979.18</u>
Excess (Deficiency) of Revenues over Expenditures	-	(200.70)	(200.70)
Fund Balances, April 1	<u>31,317.27</u>	<u>31,317.27</u>	<u>-</u>
<u>Fund Balances, March 31</u>	<u>\$ 31,317.27</u>	<u>\$ 31,116.57</u>	<u>\$ (200.70)</u>

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS

Year Ended March 31, 2004

	Balance 4/1/03	Additions	Deductions	Balance 3/31/04
<u>Current Tax Fund</u>				
Assets:				
Cash	\$ 1,050.00	\$ 547,792.18	\$ 547,792.18	\$ 1,050.00
Liabilities:				
Due to state	\$ -	\$ 96,912.95	\$ 96,912.95	\$ -
Due to county	-	152,671.84	152,671.84	-
Due to schools	-	223,438.41	223,438.41	-
Due to villages	-	4,489.30	4,489.30	-
Due to general fund	1,050.00	16,471.42	16,471.42	1,050.00
Due to fire fund	-	15,082.06	15,082.06	-
Due to road fund	-	38,726.20	38,726.20	-
<u>Total Liabilities</u>	\$ 1,050.00	\$ 547,792.18	\$ 547,792.18	\$ 1,050.00

See accompanying notes to financial statements.

TOWNSHIP OF FAIRFIELD
CURRENT TAX FUND

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended March 31, 2004

<u>Balance, April 1</u>		\$ 1,050.00
<u>Receipts</u>		
Current property taxes and assessments	\$ 538,191.02	
Dog licenses	265.00	
Tax administration fees	5,415.30	
Interest and penalties	97.80	
Drain at large paid by general fund	<u>3,823.06</u>	
Total Receipts		<u>547,792.18</u>
Total Receipts and Balance, April 1		548,842.18
<u>Disbursements</u>		
State of Michigan	96,912.95	
Shiawassee County	152,671.84	
Clinton Intermediate School	66,901.29	
Ovid-Elsie Public School	156,537.12	
Ovid-Middlebury Fire Department	4,489.30	
General Fund	16,471.42	
Fire Fund	15,082.06	
Road Fund	<u>38,726.20</u>	
Total Disbursements		<u>547,792.18</u>
<u>Balance, March 31</u>		<u>\$ 1,050.00</u>

See accompanying notes to financial statements.